GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:4399
ANSWERED ON:22.04.2002
INVESTMENT IN FARM SECTOR
GANTA SRINIVASA RAO

Will the Minister of AGRICULTURE be pleased to state:

(a) whether as per the recommendation of the Working Group of the Planning Commission an investment of Rs.736.570 crore in the farm sector would be needed during the Tenth Five Year Plan to achieve planned growth of 4 per cent;

(b) if so, whether the bank policy would be amended to provide adequate credit to farmers to achieve this target; and

(c) if so, the action taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): Yes, Sir. The Working Group on Agricultural Credit, Cooperation & Crop Insurance constituted by the Planning Commission for the formulation of Tenth Five Year Plan has projected the flow of credit to the farm sector at Rs.736570 crore to achieve a growth rate of 4 per cent in agriculture during the X Plan period.

(b)&(c): Government of India in consultation with Reserve Bank of India (RBI) and the National Bank for Agriculture and Rural Development (NABARD) has already undertaken several initiatives for providing adequate credit to farmers. These include:

? Introduction of Kisan Credit Cards Scheme.
? Mainstreaming of Self Help Groups - Bank Linkage Programmes.
? Rationalization and simplification of lending policies and procedures.
? Recapitalisation of Regional Rural Banks and Nationalized Banks to improve their financial position and lending capacity.
? The Programme for rehabilitation and revamping of Cooperative Credit Structure with a provision of Rs. 100 crore has been announced in the Union Budget speech for the year 2002-03.